



DTE Energy®

DTE Midstream and DTE Gas Midstream Services

2017 Customer Meeting in *Motown*

July 19 – 21, 2017

Opening Remarks – Welcome to the



David Slater
President
DTE Midstream

2017 Customer Meeting: *What's Goin' On?*



Agenda	Presenter
<i>Welcoming Remarks</i>	<i>David Slater</i>
<i>DTE Midstream (GSP) Interstate Business</i>	<i>Gregg Russell</i>
➤ <i>Gathering Update</i>	<i>Chris Zona</i>
➤ <i>Storage & Michigan Gathering Update</i>	<i>Steve Richman</i>
<i>DTE Gas Midstream Services Update</i>	<i>Julia Huffman</i>
<i>Closing Remarks, Dinner and Activities</i>	<i>Dan Brudzynski</i>

DTE Midstream: *Ain't Nothing Like the Real Thing*



Gregg Russell
Senior Vice President
Commercial Development
DTE Midstream

DTE Energy: Get to Know our Power



Strong, Stable and Growing Utilities

Fully Regulated by Michigan Public Service Commission

~75-80% of total earnings



DTE Electric

Electric generation and distribution



DTE Gas

Natural gas transmission, storage and distribution

Complementary Non-Utility Businesses

~20-25% of total earnings



Midstream

Transport, store and gather natural gas



Power & Industrial Projects

Own and operate energy related assets, encompassing 66 projects in 17 states



Energy Trading

Active physical and financial gas and power marketing company

DTE Midstream:

Three complementary business platforms



Pipeline Platform

Nearly 800 miles of interstate pipelines across the Midwest and Northeast (MI, OH, NY, IL, IN, ON) – designed to deliver:

Millennium Pipeline: 1.4 Bcf/d capacity

Vector Pipeline: 1.3 Bcf/d capacity

NEXUS Pipeline: 1.5 Bcf/d capacity; expected in-service 2017

Birdsboro Pipeline: ~80,000 MMcf/d capacity; expected in-service 2018



Storage Platform

Michigan Storage

- 91 Bcf of working capacity
- Strategically located between Chicago and Dawn trading hubs with connections to Vector, NEXUS, Rover and DTE Gas pipelines
- 1.2 Bcf/d of deliverability
- Currently serving 50+ customers
- New enhanced deliverability services for electric generation customers



Gathering Platform

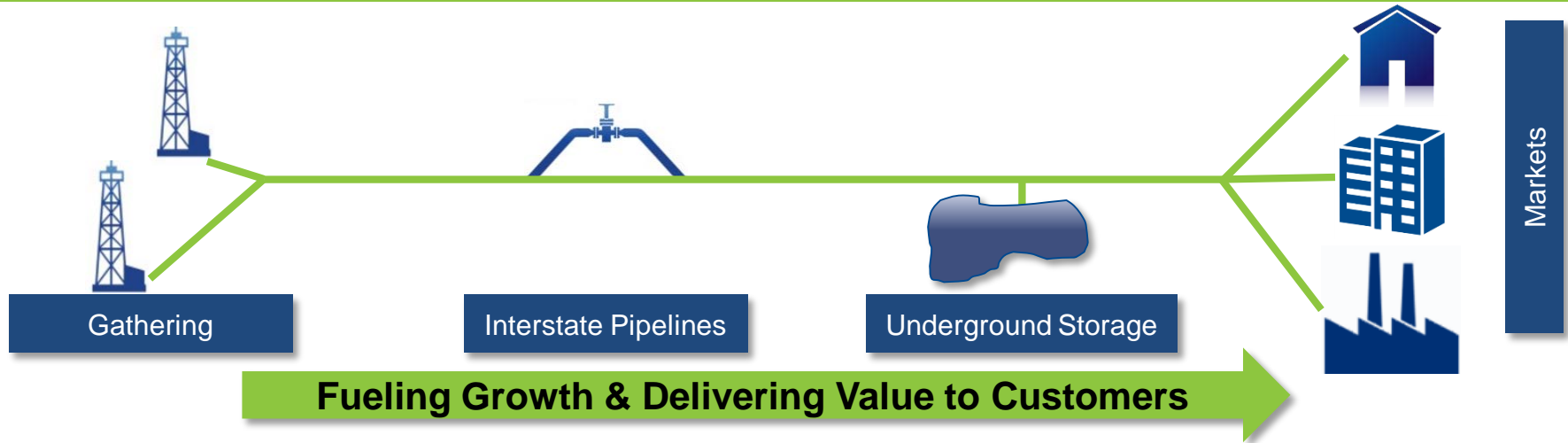
Michigan Gathering: ~590 miles of gathering and intrastate pipelines with size up to 30" in diameter supporting ~6,000 wells

Bluestone Gathering: ~265 mile gathering system; 55 miles high-pressure header system (16", 20", 24" and 30") and 210 miles of field gathering (8", 12" steel); currently delivering ~1.0 Bcf/d to Millennium and TGP

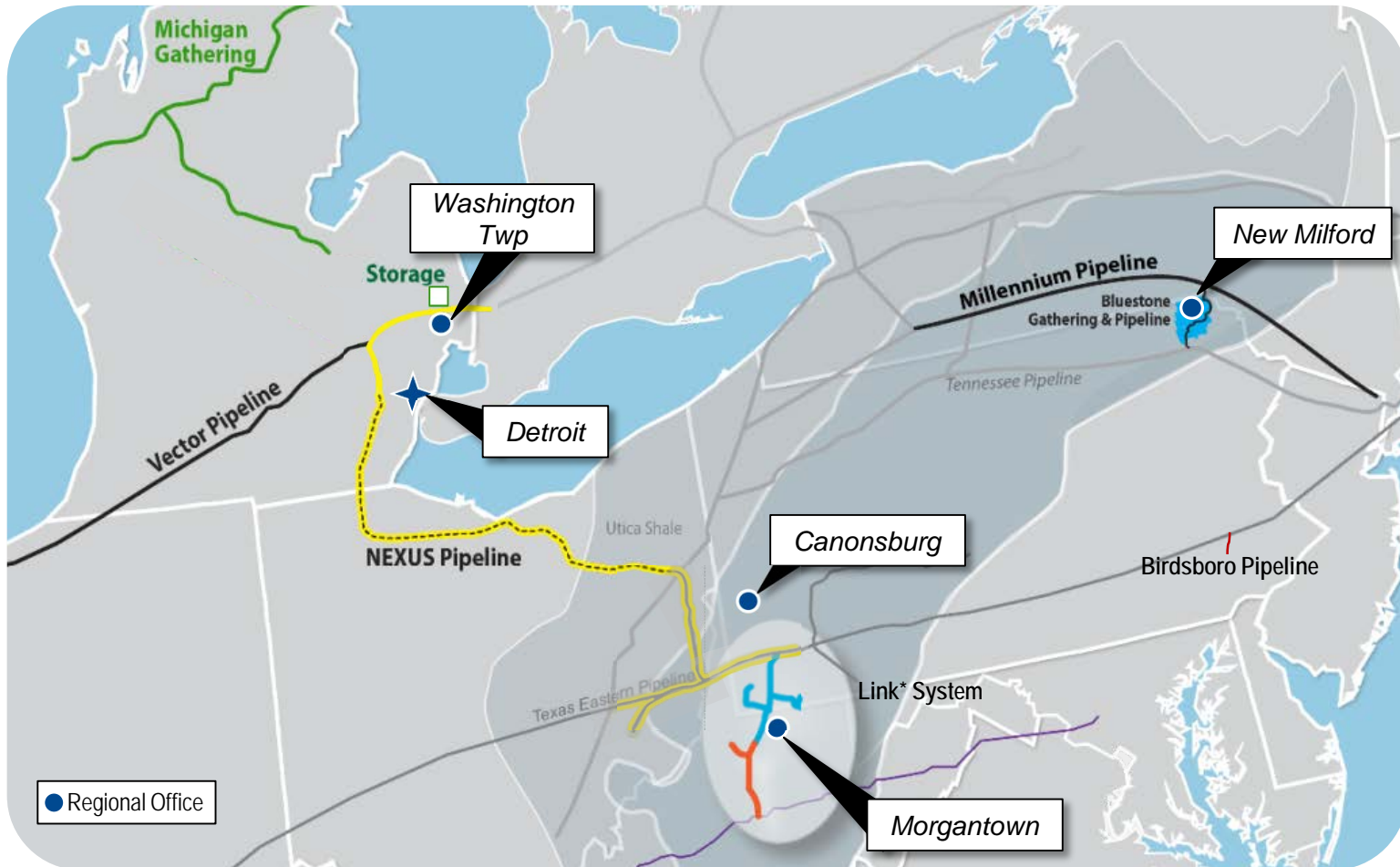
Link System: ~180 mile system:
- Appalachia Gathering System (AGS)
- Stonewall Gas Gathering (SGG)
Majority 24" and 36" high-pressure header system; connects to Texas Eastern to the north and Columbia Pipeline to the south, as well as various in-field gathering systems; capacity: 2.2 Bcf/d



Linking Supply, Demand and Relationships



DTE Midstream: Focused Footprint



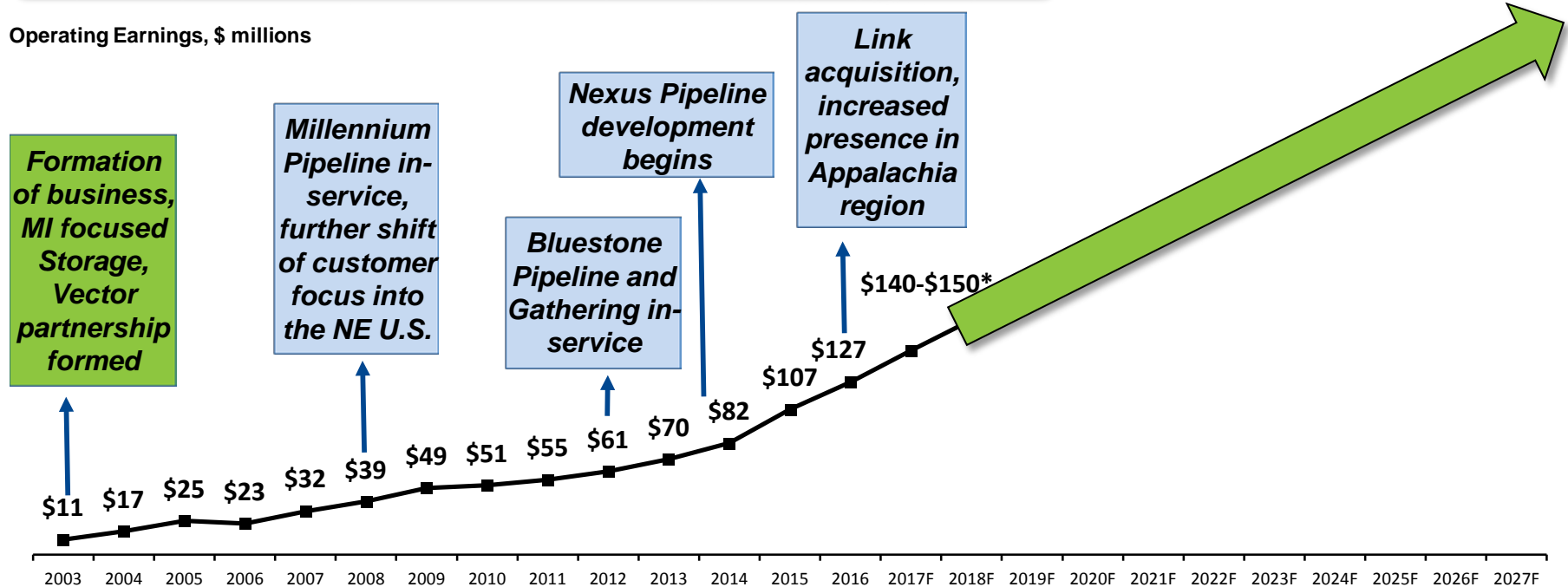
* Includes Appalachia Gathering System (AGS) and Stonewall Gas Gathering (SGG)

DTE Midstream: Business Evolution



Over \$4 Billion Invested Over The Last Decade

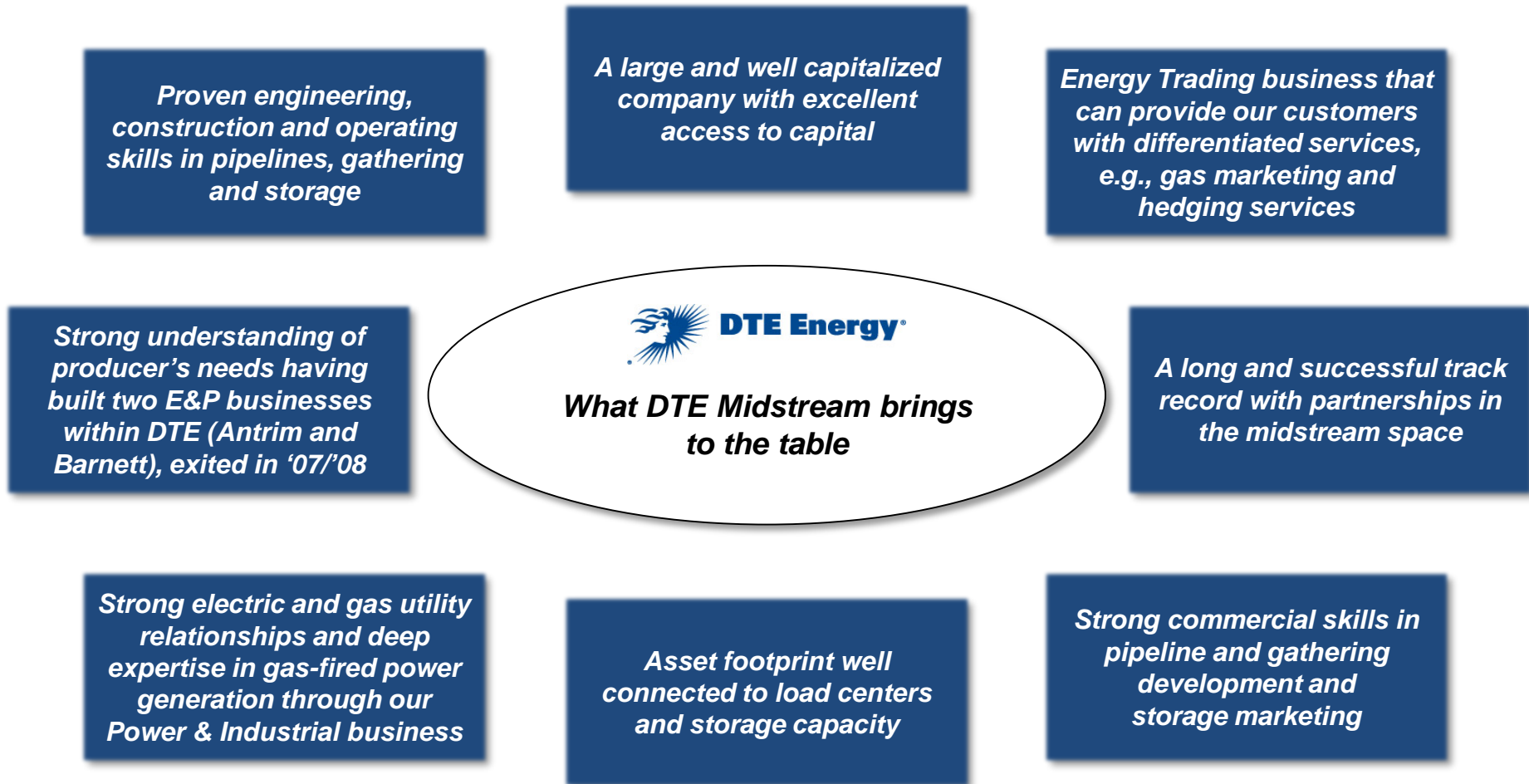
Operating Earnings, \$ millions



Geographic Focus	Michigan, NE, Midwest		NE Appalachian dry producers	SE Appalachian dry producers		
Product/Customer	Storage, pipeline, gathering, Processing	Sold processing	Bluestone in-service	Nexus originated	Link acquisition Power plants in Midwest, NE U.S.	

* Estimated 2017 Earnings

DTE Midstream: The Skillset to Serve

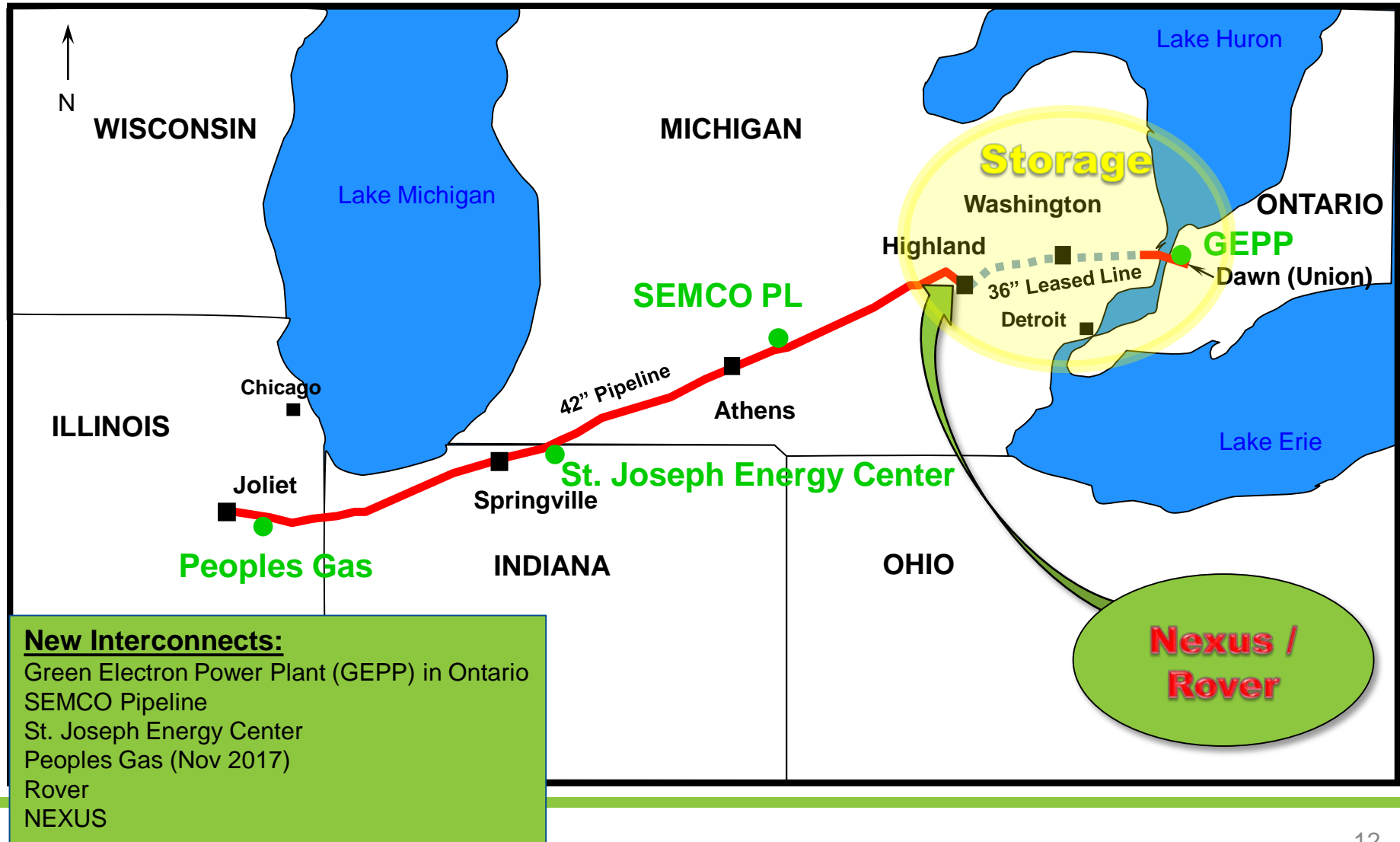


NEXUS: *You Can't Hurry Love*

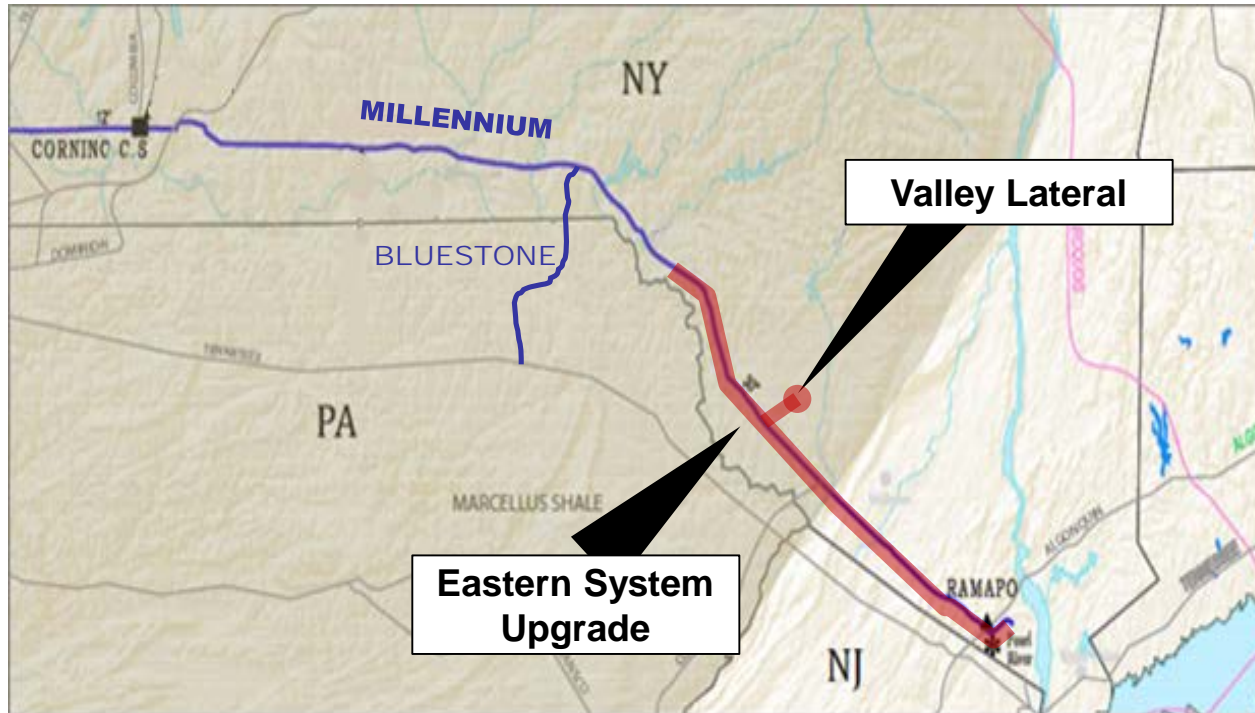


- Access to the most prolific, low-cost supply basin in North America
- Supports Great Lakes region's transition to natural gas
- Producer push and demand pull, with connections to Northern Ohio, Michigan and Western Ontario load centers
- Directly connects with Michigan and Ontario storage

Vector: *You've Really Got a Hold On Me*



Millennium: *Signed, Sealed, Delivered*



Eastern System Upgrade

- 200 MMcf/d
- FERC application submitted Aug. 2016;
- Favorable Environmental Assessment received March, 2017
- In-service expected 2H18

Valley Lateral

- 130 MMcf/d
- 8 mile lateral
- FERC approval received in Nov. 2016
- In-service expected 2Q18

Additional expansion opportunities exist

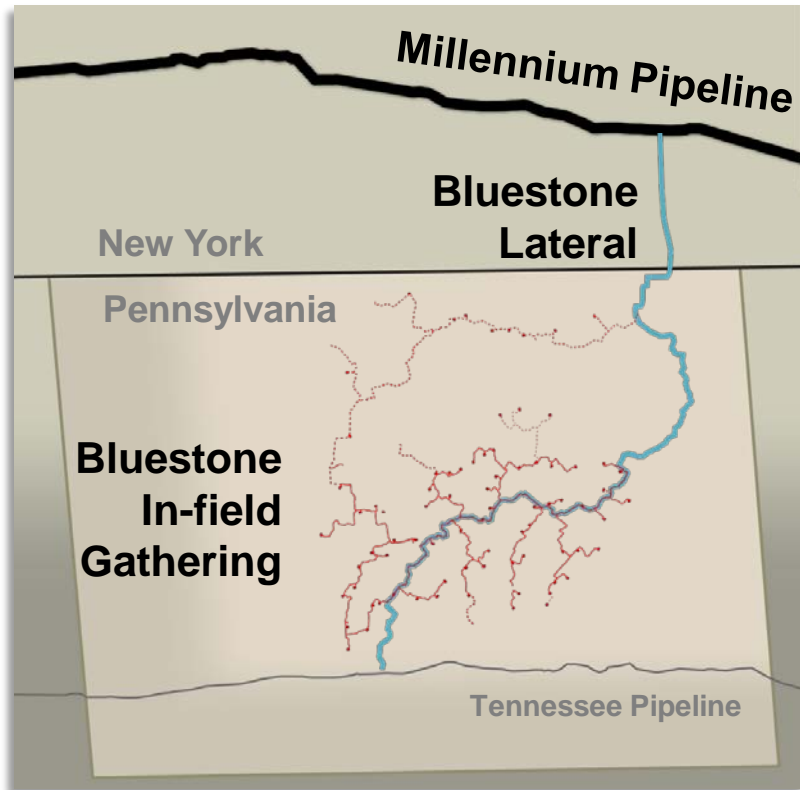
DTE Midstream: Gathering Platform



NE Marcellus Growth Platform: *Papa Was A Rollin' (Blue)Stone*

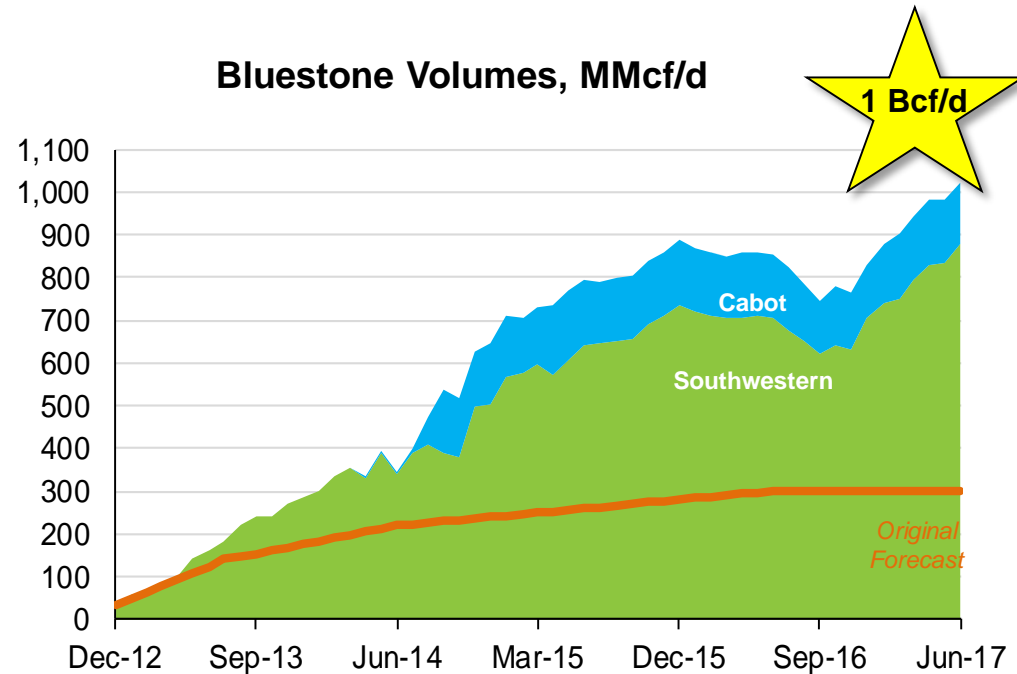


DTE's Bluestone Operations

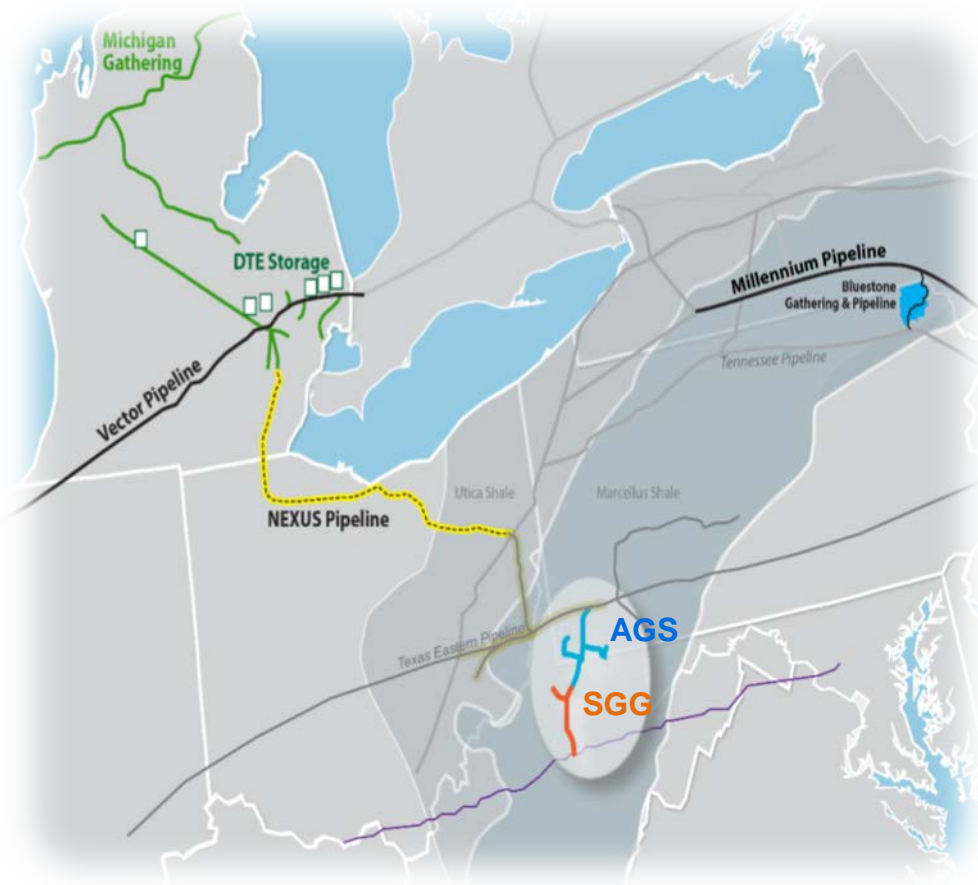


- Prolific Marcellus gas resource: Our original forecast expected volumes to peak at ~0.3 Bcf/d; current volumes are 1 Bcf/d
- Enabled major system expansions and looping resulting in total invested capital of >\$900MM

Bluestone Volumes, MMcf/d



Link System: *Ain't No Mountain High Enough*

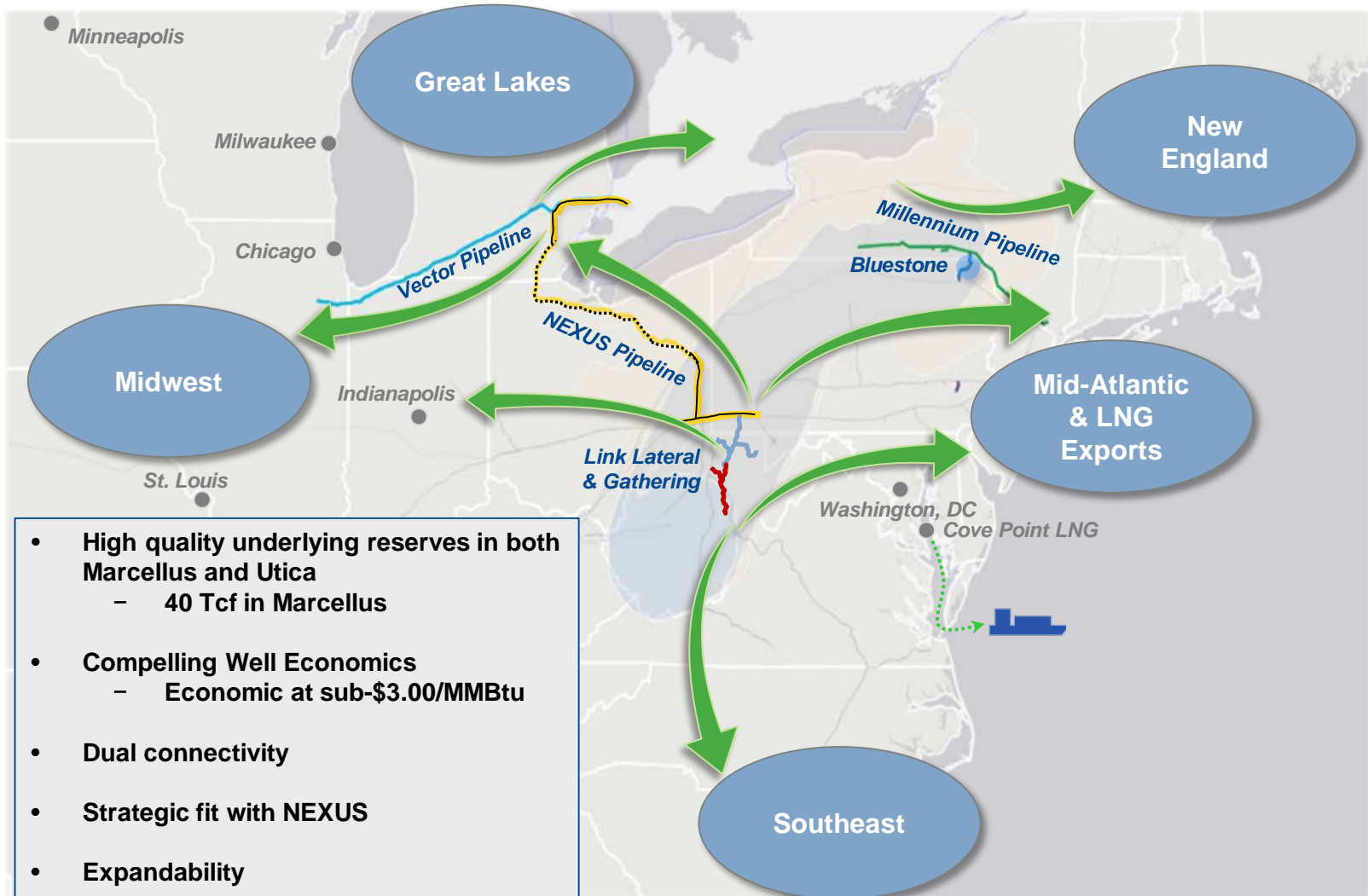


	AGS	SGG
% DTE Ownership	100%	55%
In-Service	2012-2013	2015
Length (miles)	110	67
Diameter	16" - 24"	36"
Capacity (Bcf/d)	0.7	1.5
Partners		

Customers



Link System: Platform for Growth



DTE Midstream: Storage Platform



Michigan Platform

- Regional Demand
- W10 Update
- DTE Michigan Gathering



Midwest Market Dynamics are Changing

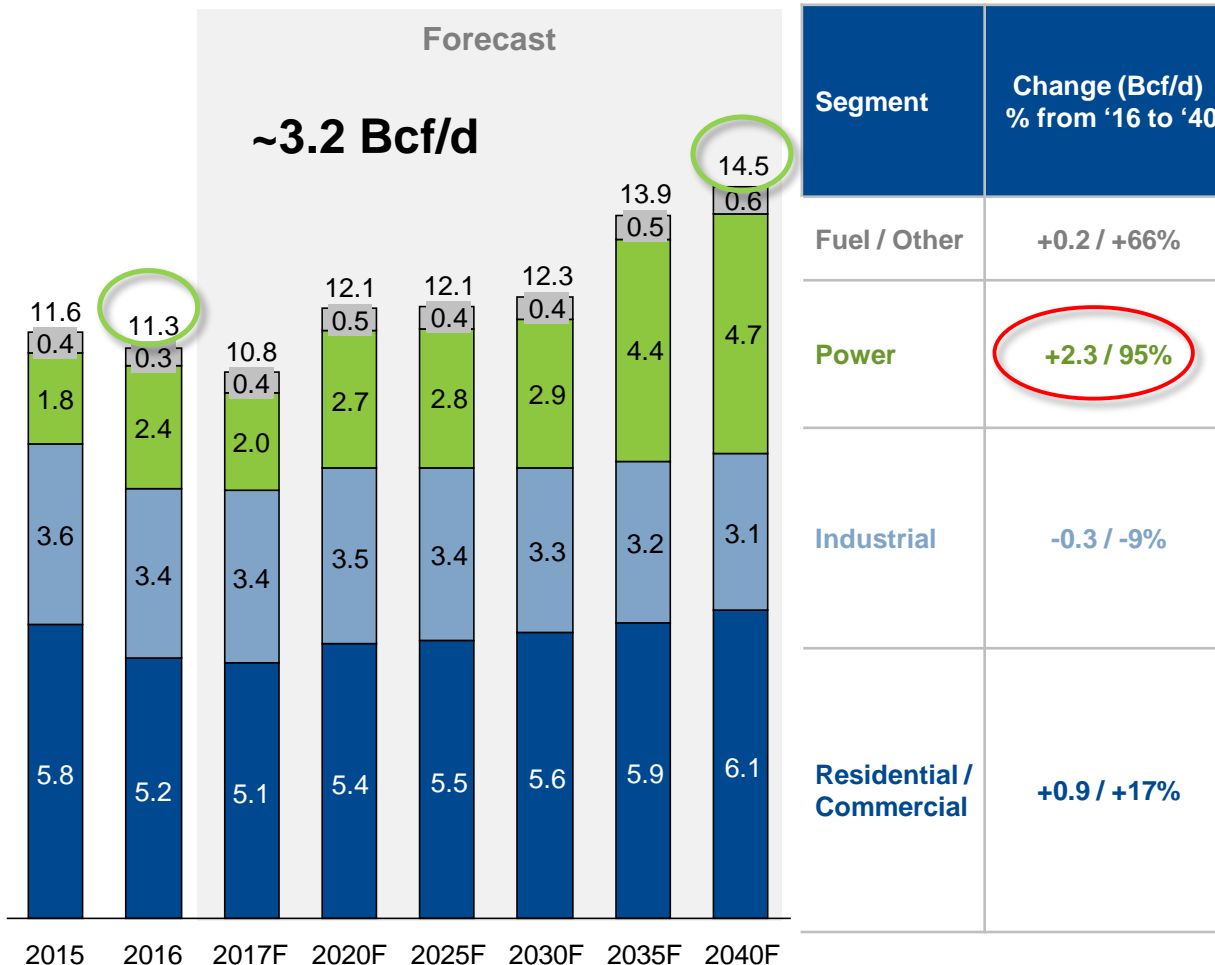
Believe what you hear



Great Lakes demand growth will be driven by the power generation sector



East North Central Average Annual Natural Gas Consumption by Sector
Bcf/d



- With over 7,400 MW of coal generating plants retiring in the region through 2020 natural gas used for power generation is forecasted to increase

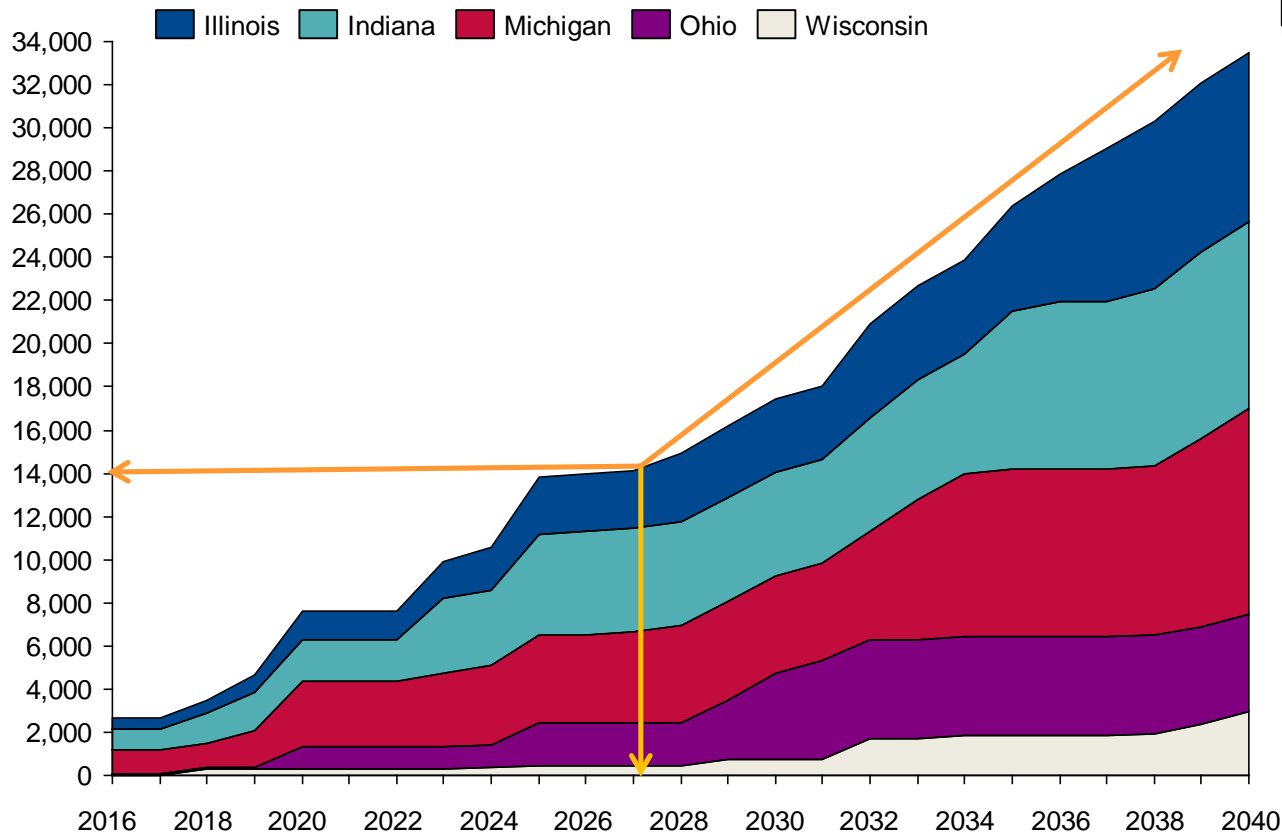
East North Central



East North Central coal plant retirements: *I Heard It Through The Grapevine*



MW (Cumulative)

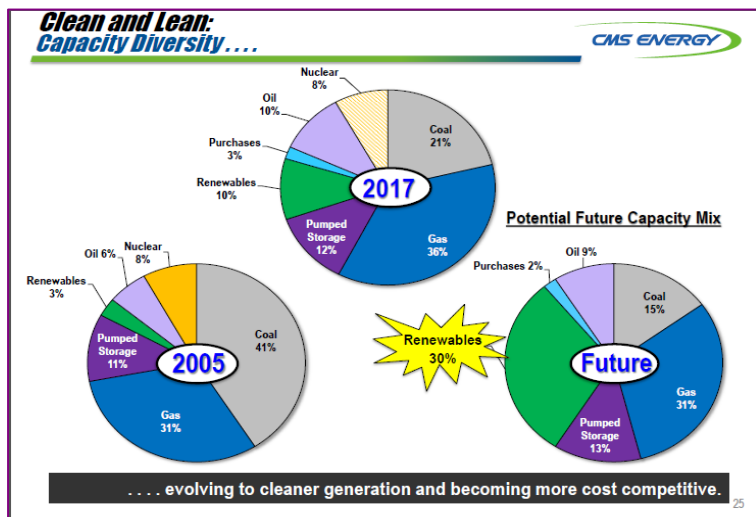
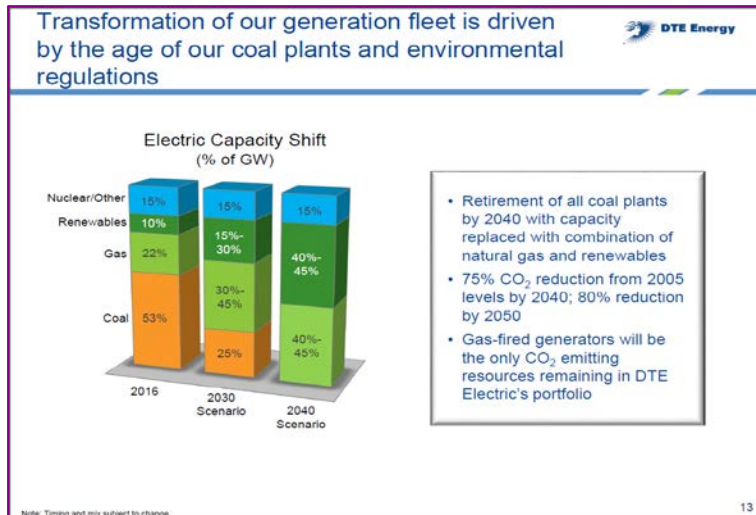


- Approx. 31,000 MW over the next 23 years

Retired by 2040:

State	Total Forecasted Retiring Coal Plants	Total Forecasted MW Retired
Illinois	32	7,776
Indiana	46	8,708
Michigan	49	9,483
Ohio	26	4,567
Wisconsin	17	2,924

Increased gas demand in Michigan will be driven by new generation from DTE Energy and Consumers Energy



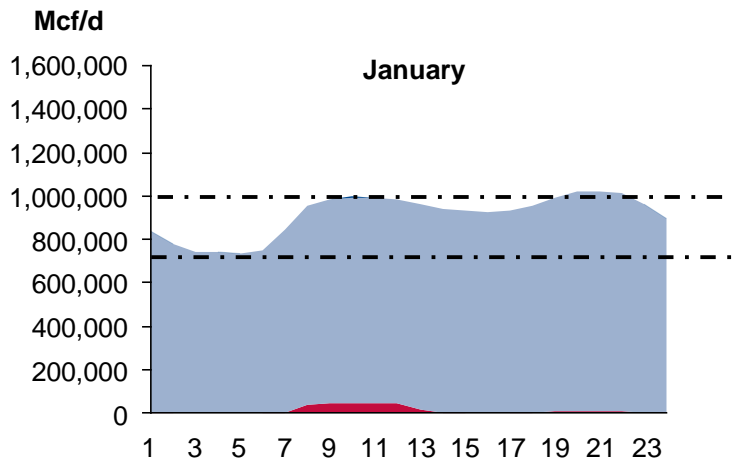
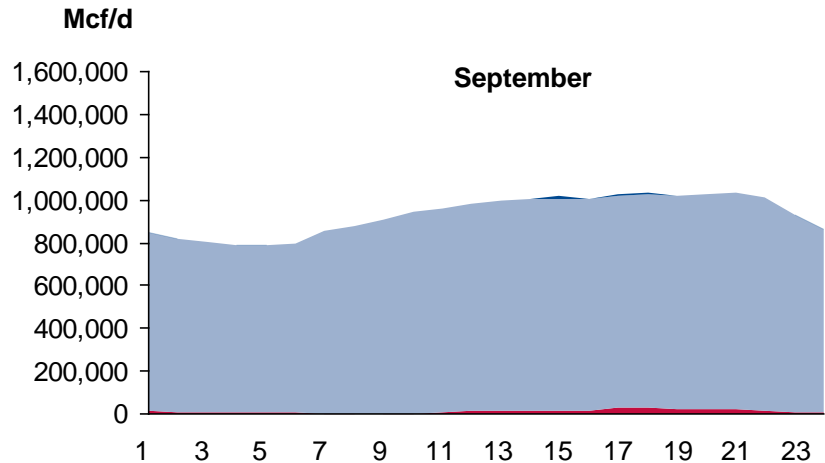
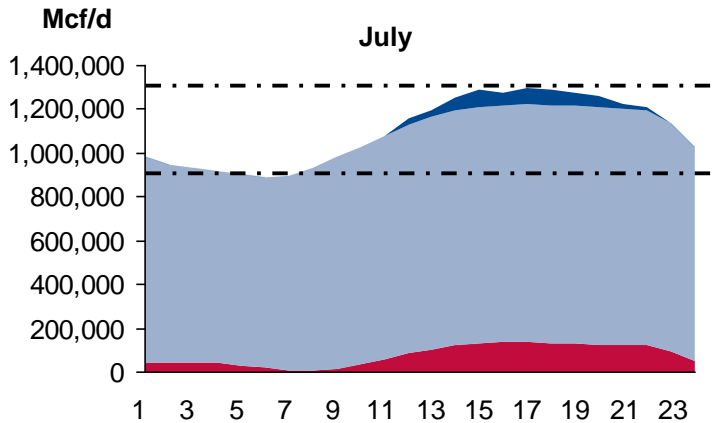
Both DTE Electric and Consumers Energy are committed to clean energy and to retire aging coal-fired generating capacity in Michigan

- Aging plants and environmental regulation are driving fleet transformation
- Collectively, the two utilities see the potential for up to 6,000 MW of new gas fired generation
- Gas and renewable capacity will be the beneficiaries of coal plant retirements
- DTE estimates that by 2030 – 60% to 70% of its generation will be sourced by natural gas/renewables
- In total, incremental demand resulting from new gas-fired generation in the DTE Electric and Consumers Energy portfolio could be as high as 1.0 Bcf/d

Michigan's 2018F Hourly Generation: *Let's Get It On*



■ Combustion Turbine ■ Combined Cycle Plant ■ Gas Steam Units



Hourly and seasonal power generation can vary widely by month, hour and facility type

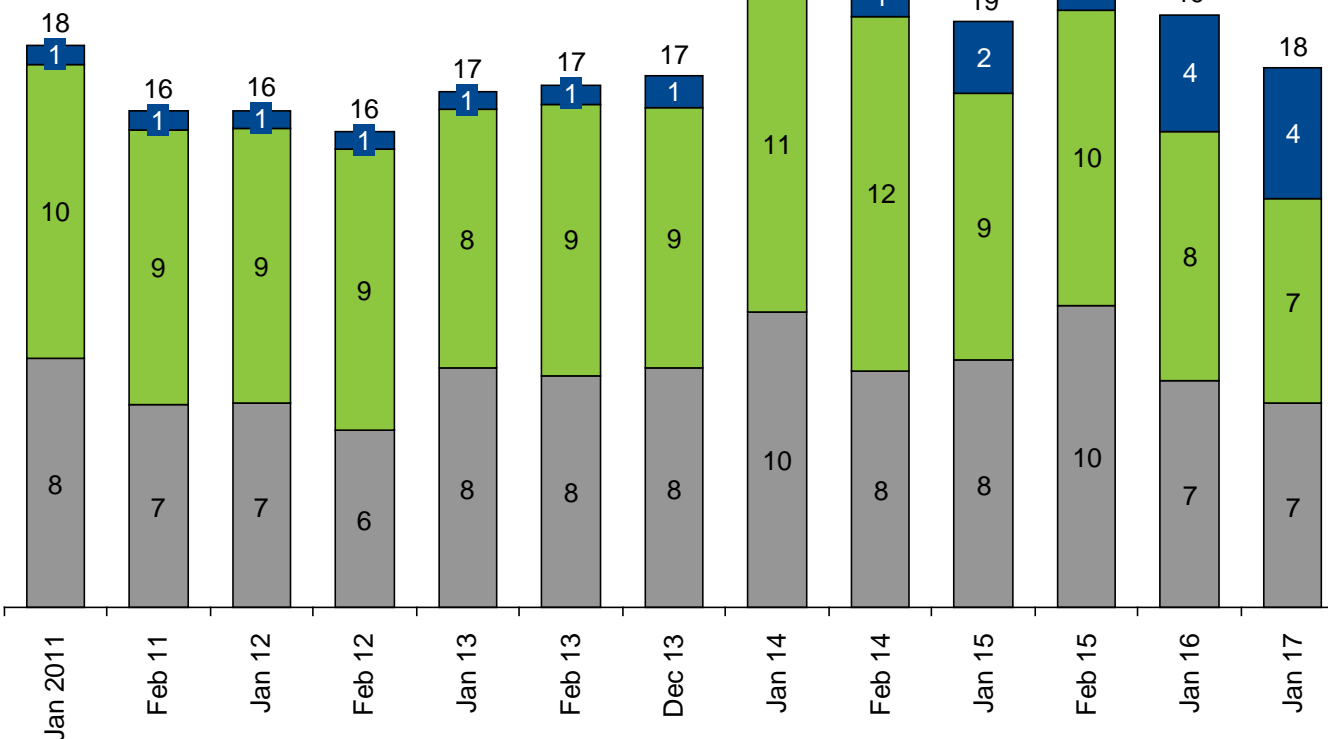
Storage serves over 40% of East North Central average winter consumption



Average Peak Winter Month Supply Components

Bcfd

- Dry Production
- Pipeline Imports
- Storage Withdrawals



- On the coldest peak days, more than 50% of demand is supplied by storage

Storage Component Percent

44% 41% 41% 37% **46%** 44% 45% 44% 38% 42% 45% **38%** 39%

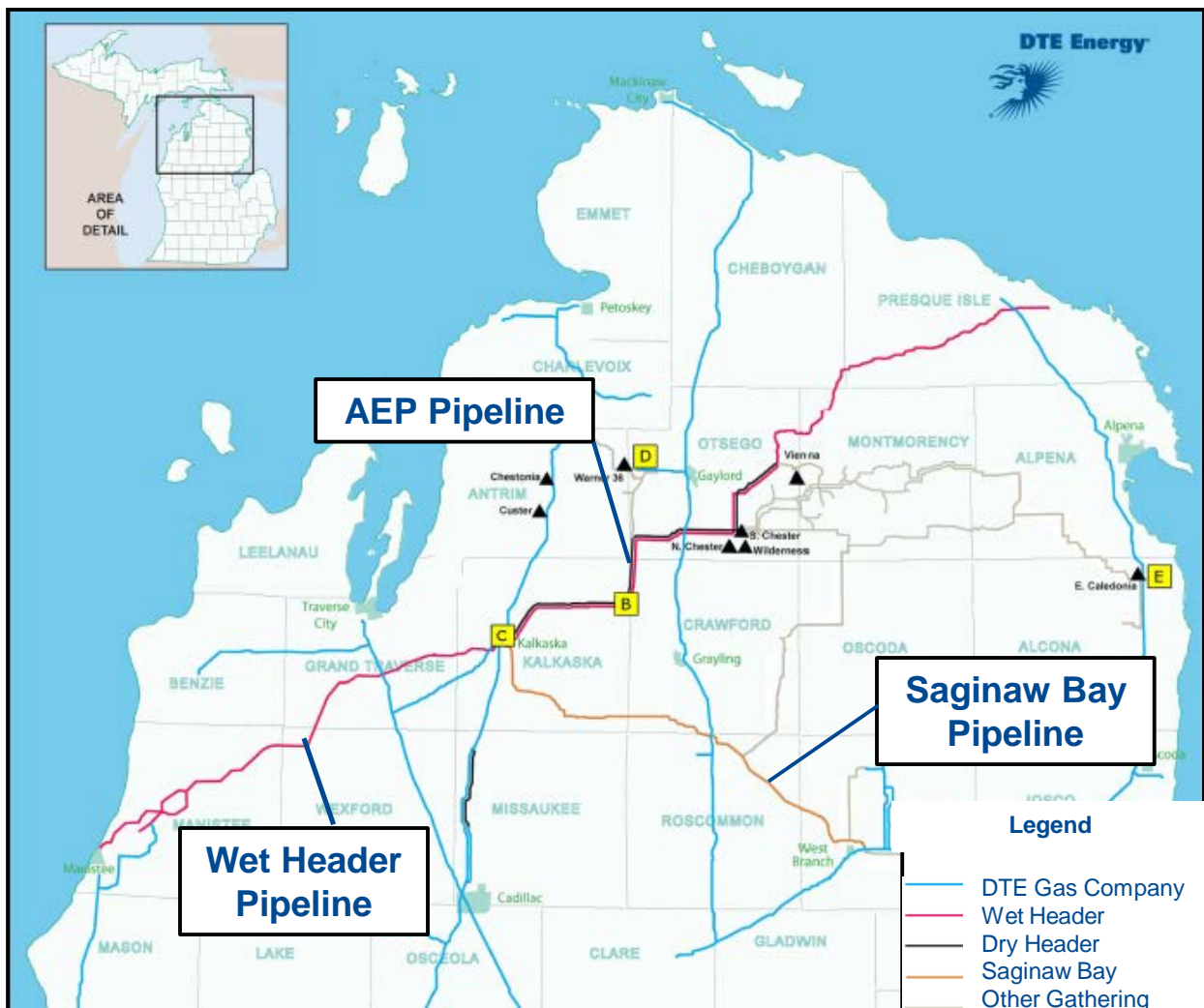
10 Washington 10 Update: *Baby I Need Your Lovin'*



- Summer Storage Refill ⁽¹⁾
 - Union Gas 67%
 - Bluewater 66%
 - ANR 74%
- Hourly Balancing
- Station Projects
 - Valve Maintenance
 - EZ Max Mobile
 - Maximo Work Scheduling System
 - More efficient PM
 - Full implementation by end of 2017
 - Office Upgrades
- Nomination System Changes
 - Implementation in Q3 2017



Michigan development: Some producer activity creating opportunity for existing DTE Pipeline Company assets



- Some Niagaran Targets in Northern Michigan are being explored as well as Dundee and Detroit River targets in 2017
- Upgrades to existing flow computers are ongoing combined with communication updates related to DTE Gas Company's SCADA upgrade
- Potential drilling in A1 carbonate and Utica Collingwood formations in 2018 and beyond
- Riverside Energy Michigan, LLC acquired Chevron's Michigan interests as well as several additional Antrim producer interests
- Merit and Marathon have indicated they are seeking a sale of their Michigan assets in 2017

DTE Gas Midstream Services Update

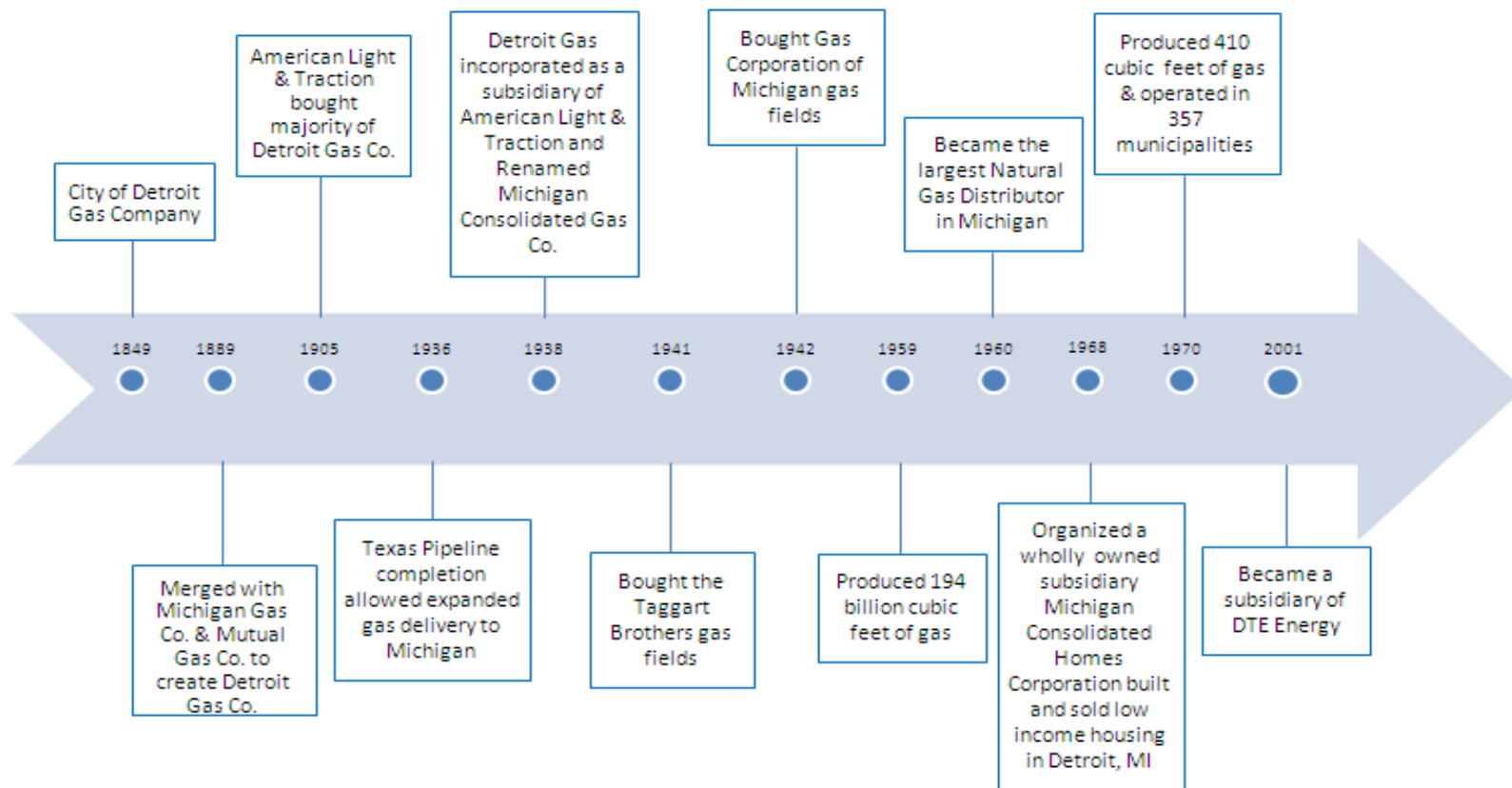


Julia Huffman
Manager
Origination & Optimization
DTE Gas Midstream Services

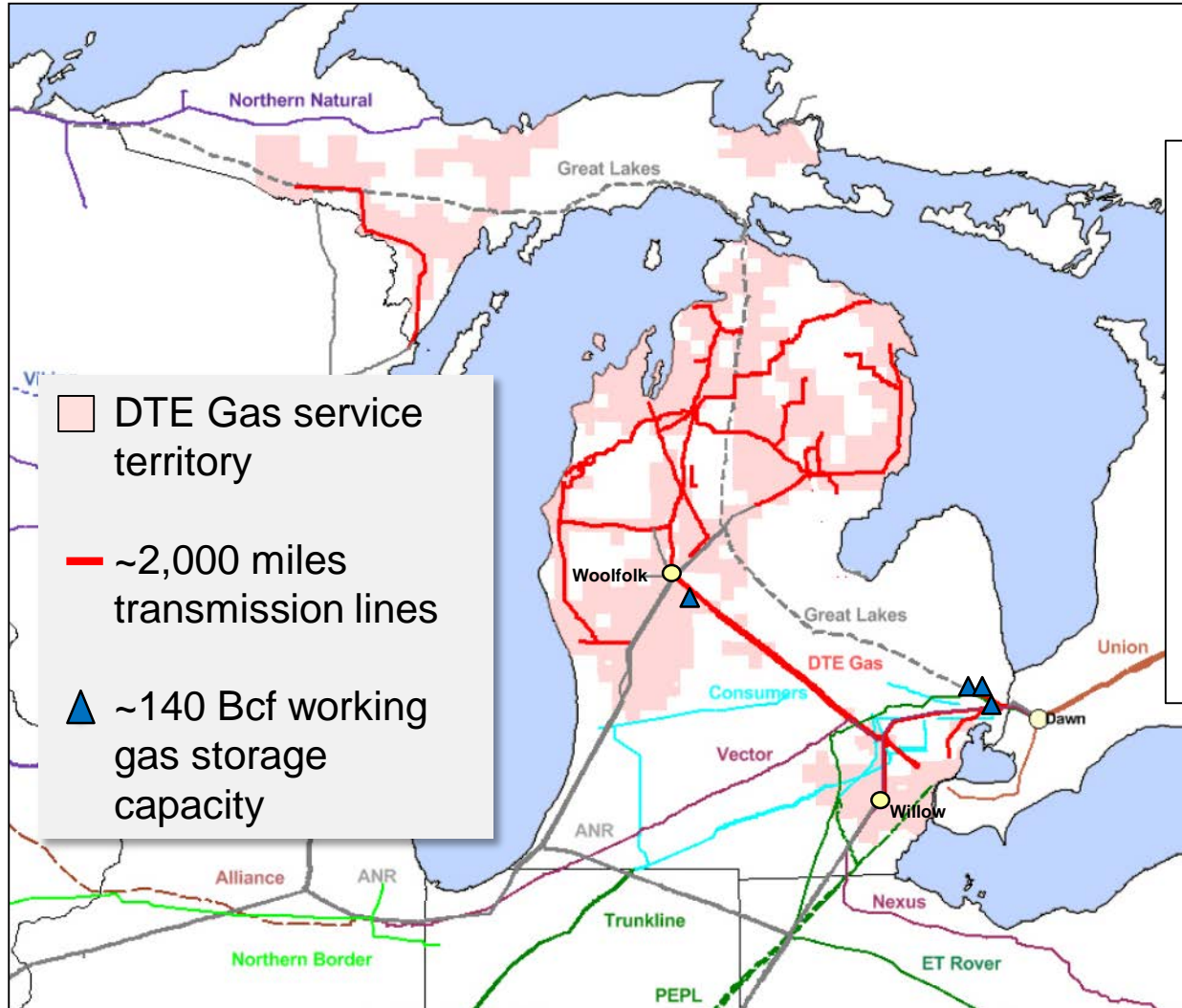
DTE Gas Company provides natural gas to ~1.3 MM residential customers in Michigan



Michigan Consolidated Gas Company (MichCon) became a subsidiary of DTE Energy in 2001, but has been warming homes since 1849. The Company is engaged in the purchase, storage, transmission, distribution and sale of natural gas to ~1.3 million residential customers in Michigan



Our extensive pipeline network and depleted reservoir storage facilities provide certainty of supply to our customers



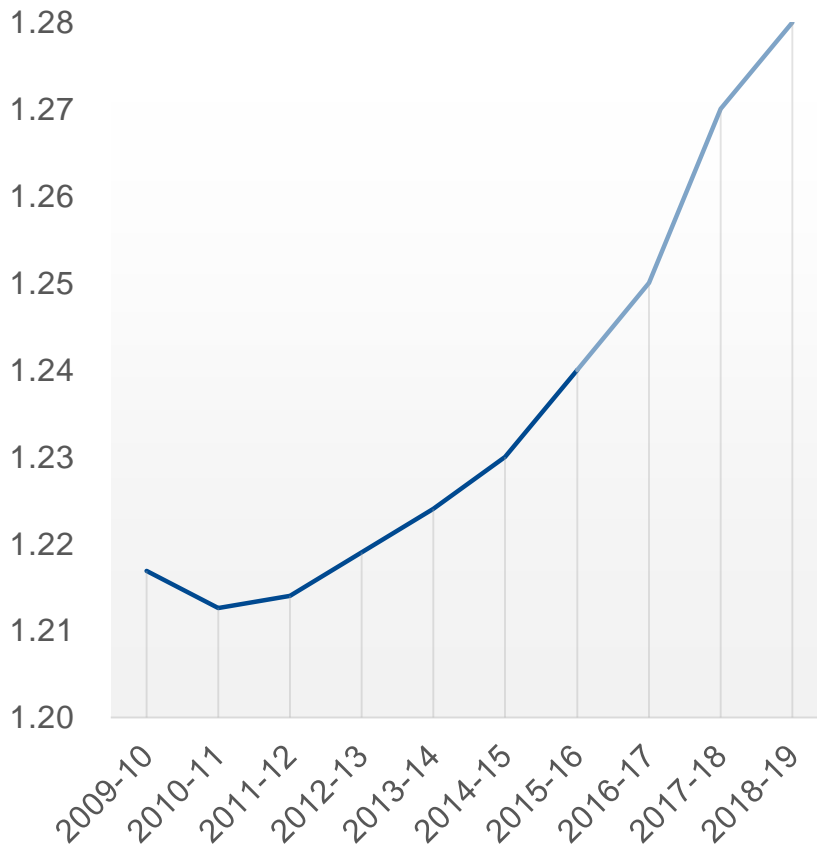
Quick facts...

- Average annual throughput of 595 Bcf
- Record peak sendout of 2.3 Bcf on January 7, 2014
- Customer classes:
 1. Residential
 2. Commercial / Industrial
 3. Midstream

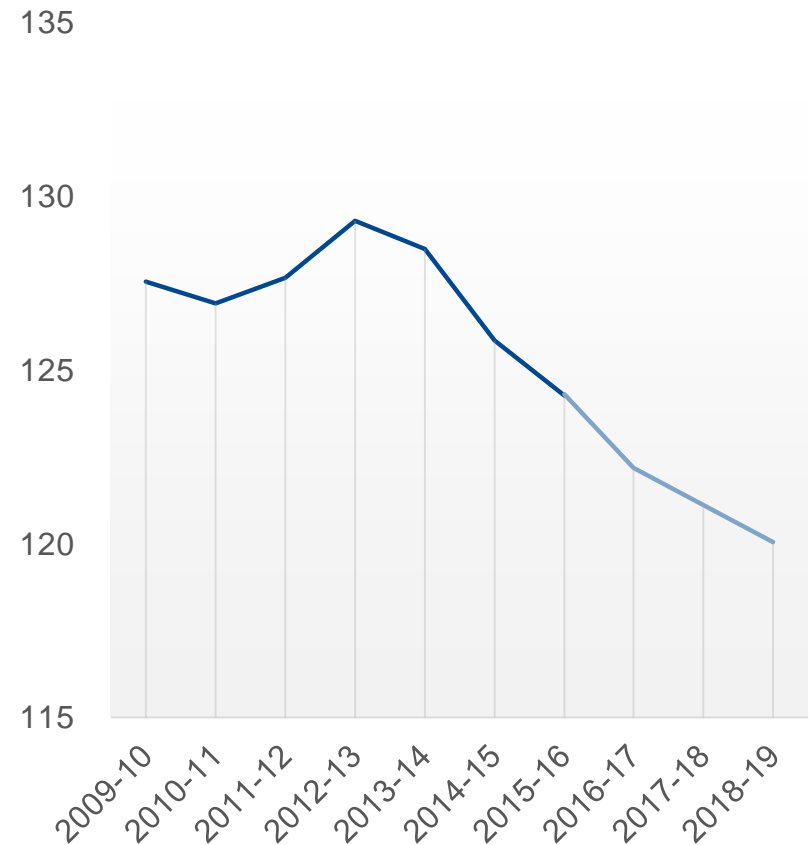
Residential: Although customer count is steadily increasing, Energy Waste Reduction programs have caused a decline in weather normalized usage



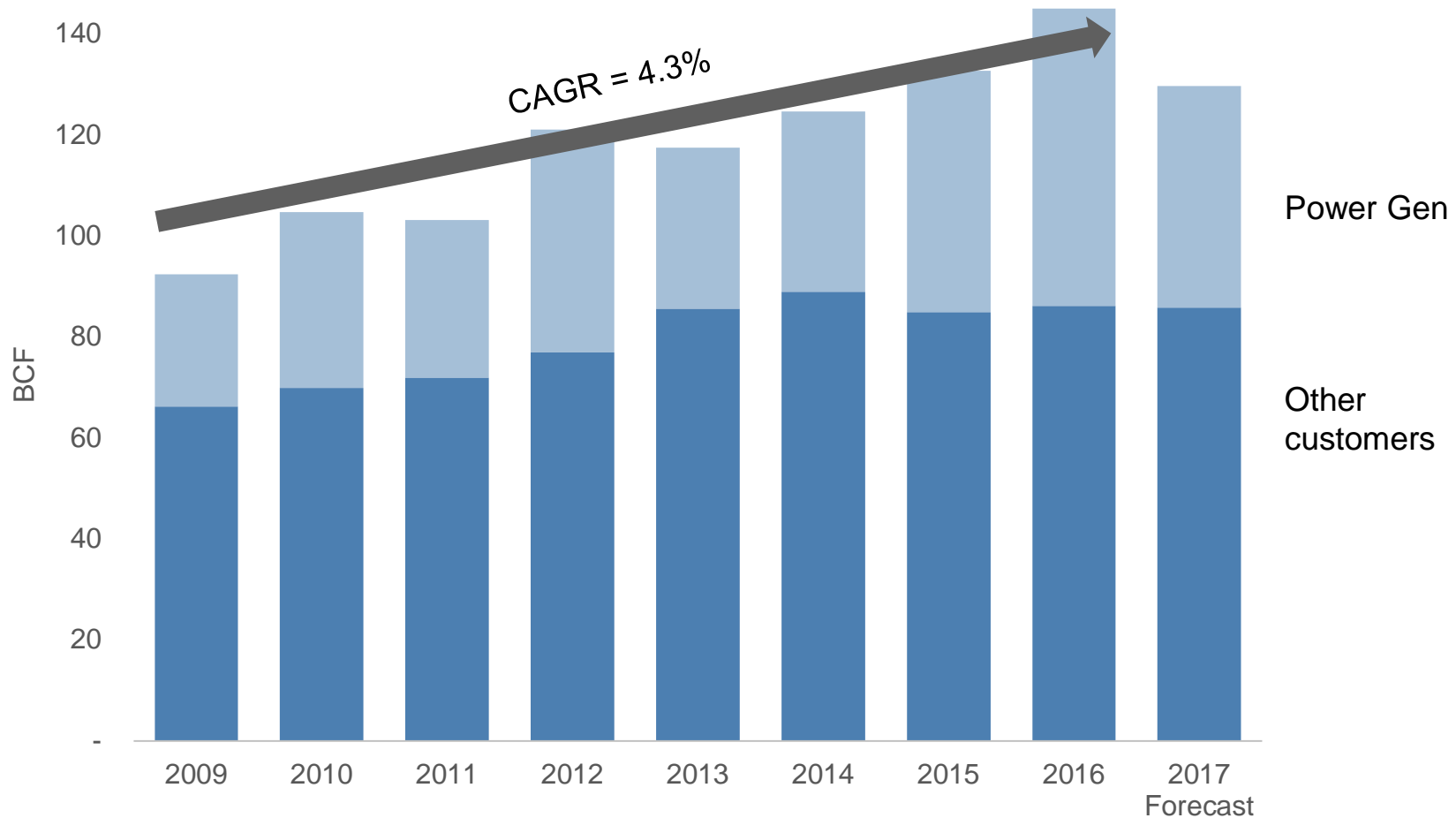
Customer Count
(Millions)



Weather Normalized Usage
(Mcf/Customer)



Industrial: Industrial customer volumes inside the DTE Gas service territory increased ~40 Bcf since 2009, ~20 Bcf of that is Power Generation



Midstream: DTE Gas Midstream Services is charged with maximizing the utilization of DTE Gas utility rate base assets



Purpose

- DTE Gas Midstream Services is charged with maximizing the utilization of DTE Gas utility rate base assets. Services sold are in excess of what is required to serve the Utility's customers

Regulatory Construct

- We are regulated by the Michigan Public Service Commission and by FERC as a Hinshaw Pipeline

Services

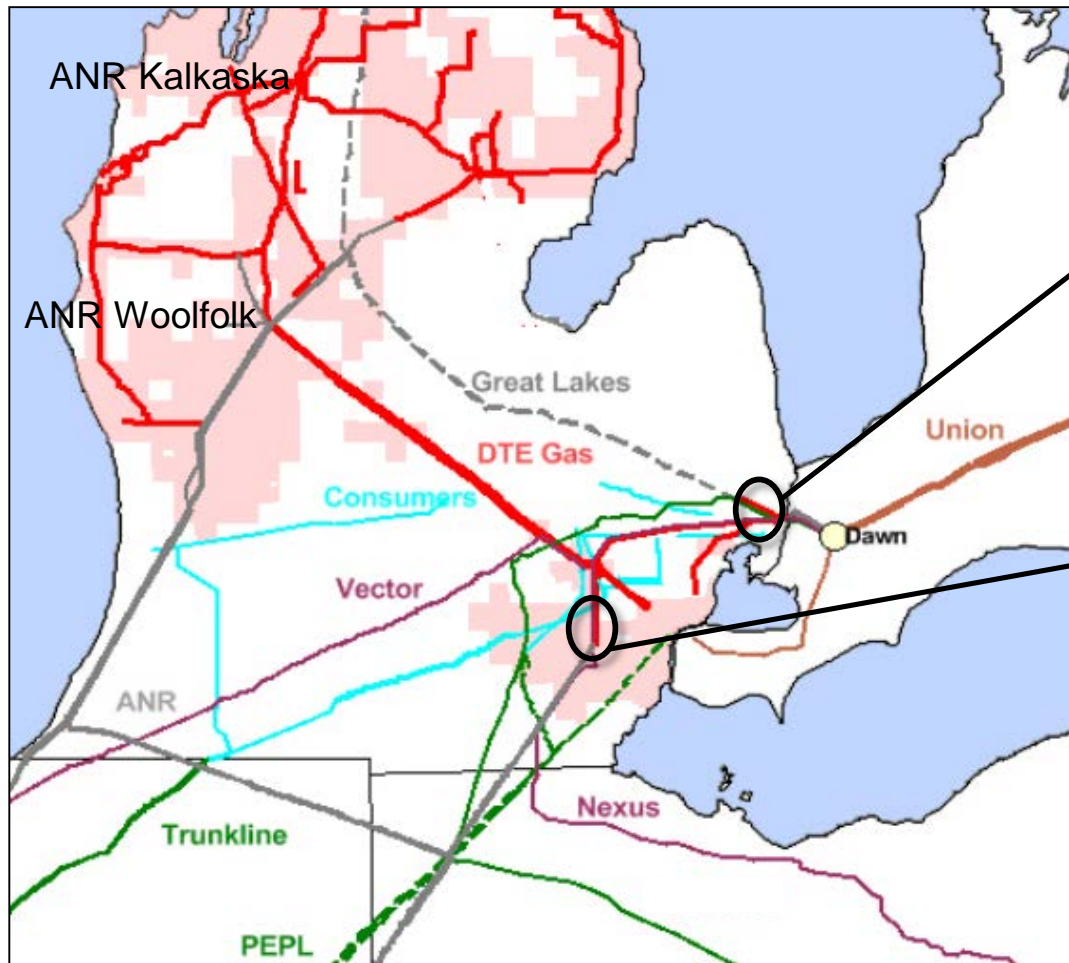
- We offer Inter- and Intra-state services, including:
 1. Transportation
 2. Exchange
 3. Storage
 4. Park and Loan
- We sell services spanning the full range of terms – from intraday to next decade

Our central location offers unsurpassed access and transportation options for shippers who need to deliver gas beyond the DTE Gas System



Services:

1. Transportation
2. Exchange
3. Storage
4. Park and Loan



Eastside interconnects:
Union St. Clair
Vector Belle River
Great Lakes Belle River
ANR Link
Washington 10

Southside interconnects:
PEPL Scofield
ANR Willow
Nexus Ypsilanti
Consumers Northville

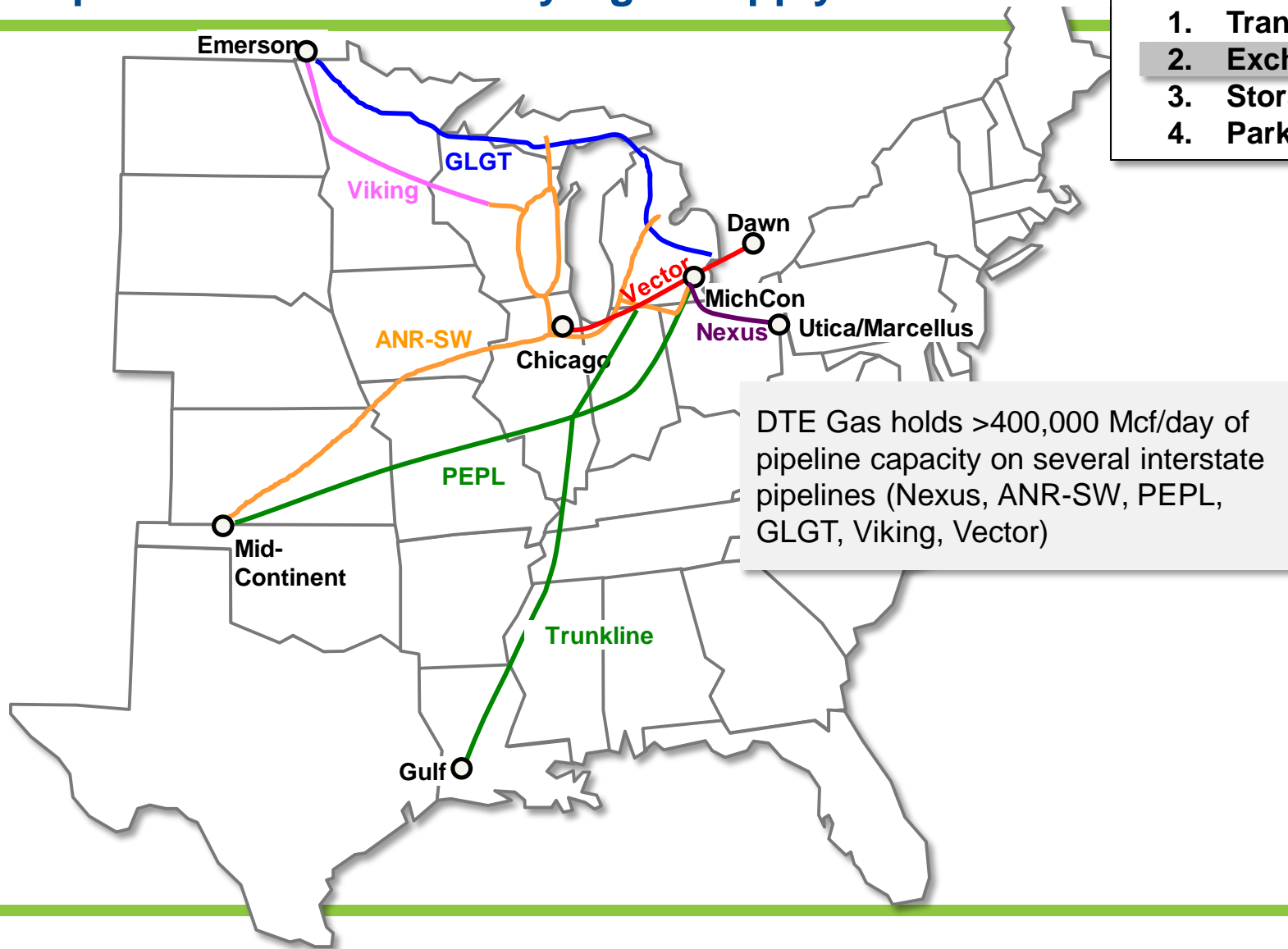
Other
ANR Woolfolk
ANR Kalkaska

Exchange Services allow us to transport gas to points on several Interstate pipelines, via optimization of the utility's gas supply contracts



Services:

1. Transportation
2. Exchange
3. Storage
4. Park and Loan

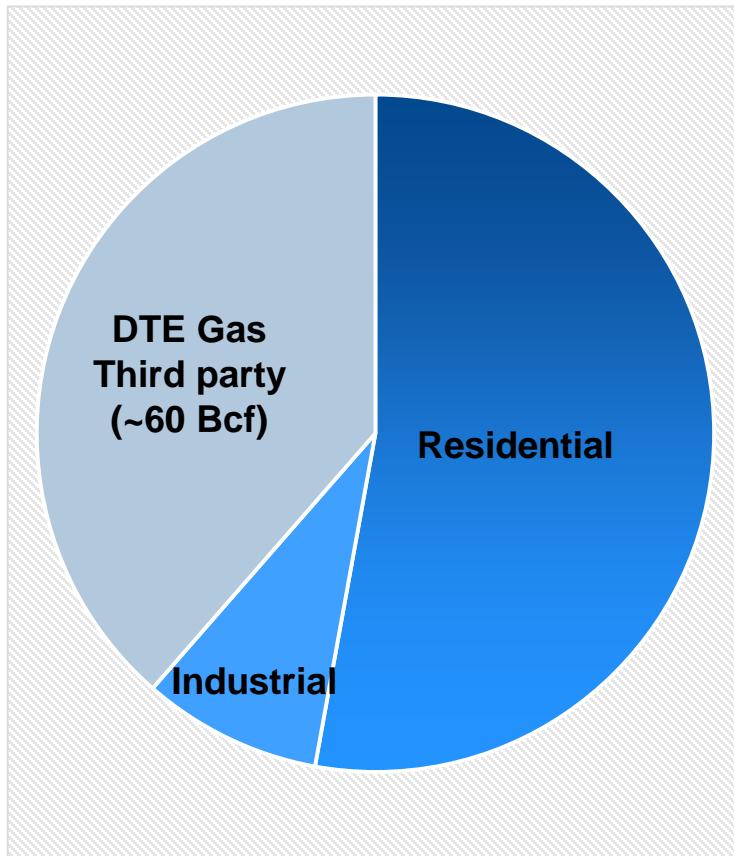


Midstream optimizes the 140 Bcf DTE Gas storage complex through Storage, Park and Loan Services



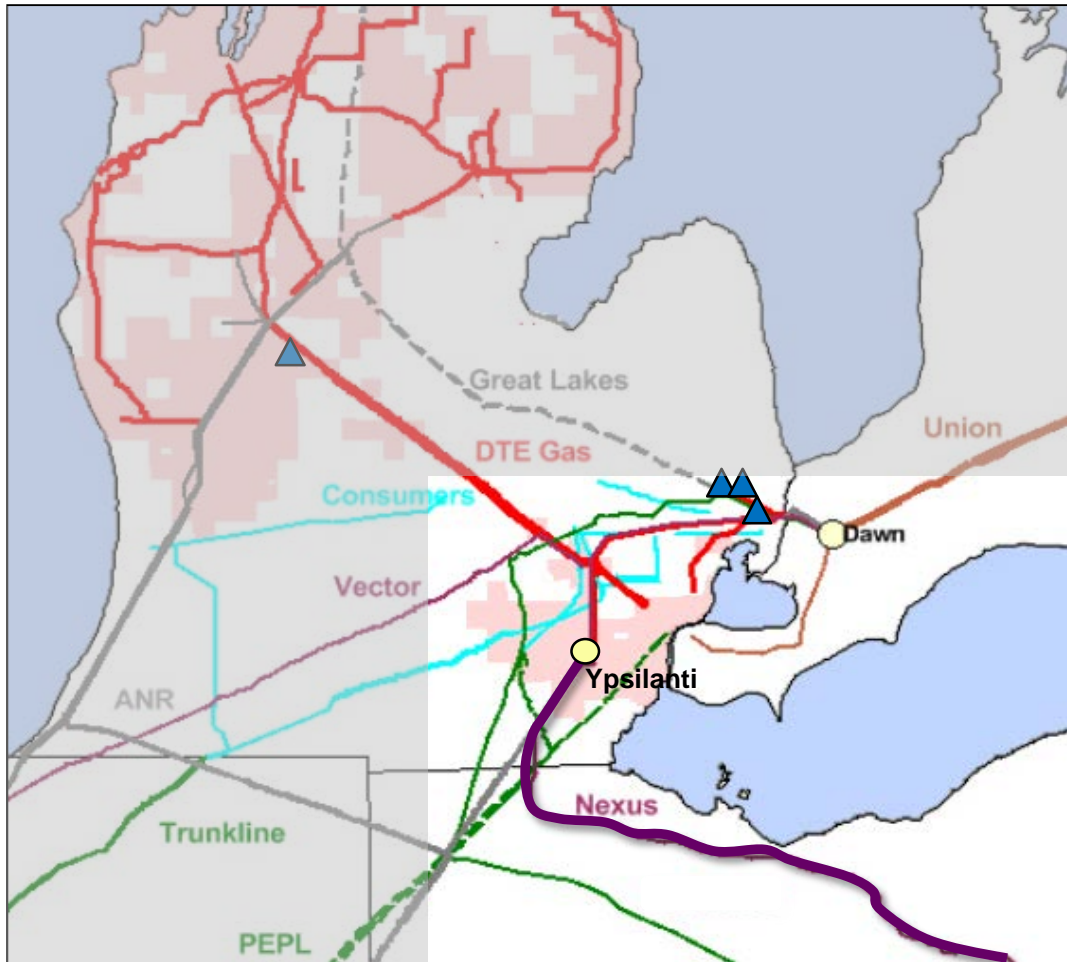
Services:

1. Transportation
2. Exchange
3. Storage
4. Park and Loan



- DTE Gas has ~140 Bcf of depleted reservoir, working gas storage
- Midstream is allocated a portion of this space. Storage available for sale to third parties will increase to ~60 Bcf starting April 1, 2018
- We sell our allocated space as a traditional 100 day storage product and optimize the entire 140 Bcf through park and loan services

DTE Gas: *What's Goin' On?*



- NEXUS will bring 1.5 Bcf/d onto the DTE Gas system at the new Ypsilanti interconnect
- NEXUS Ypsilanti will be a MichCon Generic point – supplies from NEXUS will be positive for liquidity

Closing Remarks:

I Second That Emotion

